

MONTHLY ANALYSIS OF INDUSTRY EMPLOYMENT DATA
New Hampshire, January 2006
B G McKay

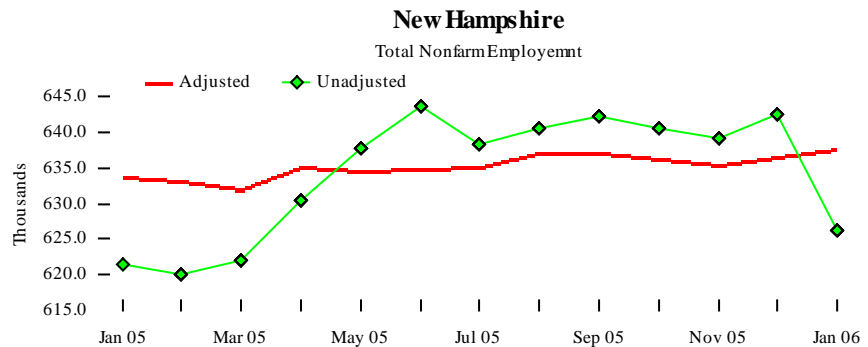
Seasonally Adjusted:

Preliminary seasonally adjusted estimates for January showed that New Hampshire employers added 1,200 new jobs to the state's economy.

On the surface, it appeared that trade, transportation, and utilities (supersector 40), with its 1,200-job increase, accounted for all of the state's growth during the month. Other areas contributed. Professional and business services (supersector 60) led those other areas with a 300-job addition, followed by a 200-job expansion in information (supersector 50). Leisure and hospitality (supersector 70) and other services (supersector 80) completed January's expansion by each adding 100 jobs.

Educational and health services (supersector 65) made no change to the total number of employed persons in over-the-month activity.

A 400-job reduction in government (supersector 90) employment exerted the most significant downward pressure on the adjusted employment trend line, while construction (supersector 20), manufacturing (supersector 30), and financial activities (supersector 55) each trimmed 100 jobs for their ranks in the January estimates.



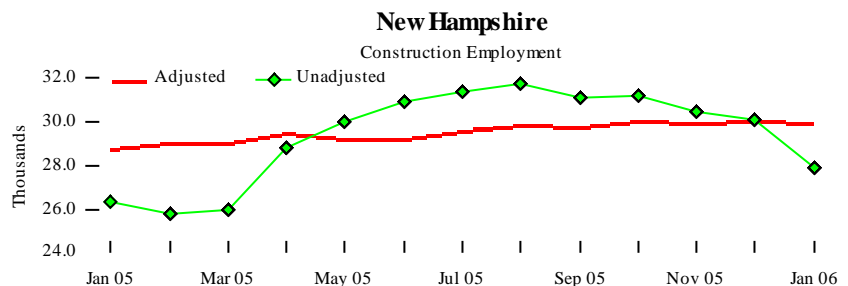
Unadjusted:

With the passing of the holiday shopping season, the unadjusted total nonfarm employment trend line took a 16,300-job dip in January. Except for natural resources and mining (supersector 10) and information (supersector 50), which held employment at December levels, all other supersectors posted negative employment numbers for January.

Trade, transportation, and utilities (supersector 40) dropped 5,600 jobs in the January shopping aftermath. Public sector educational services, taking a midterm break, provided the driving force behind the 4,300-job reduction in government (supersector 90). Seasonal factors also played a major role in construction's (supersector 20) 2,200-job contraction. Professional and business services (supersector 60) dropped 1,700 positions. Food services and drinking places (subsector 722) reduced staffing levels seasonally, which gave impetus to the 1,000-job decline in the leisure and hospitality (supersector 70) employment total for January. As in the public sector, educational services powered the 800-job staffing reduction in educational and health services (supersector 65). Manufacturing (supersector 30) trimmed 400 jobs. In wrapping up January's employment picture, other services (supersector 80) cut back its work force by 200, and financial activities (supersector 55) had 100 fewer persons on the job.

CONSTRUCTION

All segments of construction (supersector 20) contributed to the 2,200-job loss in January's unadjusted estimates. Specialty trade contractors (subsector 238), with their 1,600-job contraction, played the largest part. Firms that engaged in the construction



of buildings (subsector 236) found it necessary to trim their force by 500 positions.

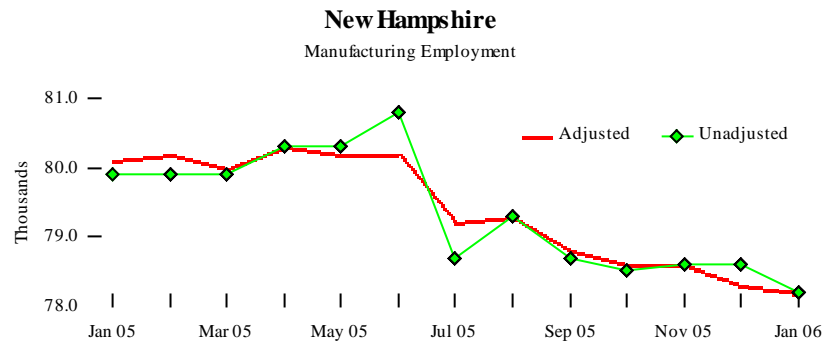
MANUFACTURING

In a reversal of roles, nondurable goods manufacturing took the lead in employment activity from the durable goods manufacturing, as nondurable goods cut the work force back by 300 jobs and durable goods manufacturing dropped 100 positions from the ranks.

Published elements in the durable goods manufacturing sector showed that computer and electronic product manufacturing (subsector 334), and miscellaneous manufacturing (subsector 339) each trimmed their payrolls by 100 positions. The 100-job reduction in subsector 334 could be traced to semiconductor and other electronic component manufacturing (industry group 3344).

Primary metal manufacturing (subsector 331) did not alter its employment total from the previous month.

The sample showed that employment gains in fabricated metal product manufacturing (subsector 332) and machinery manufacturing (subsector 333) offset those previously mentioned losses for January in durable goods manufacturing.



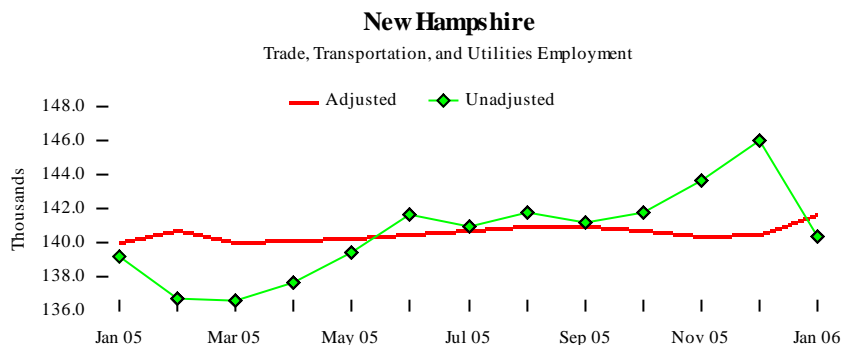
Paper manufacturing (subsector 322) accounted for 100 of the 300 jobs dropped in nondurable goods manufacturing, as employment in food manufacturing, and beverage and tobacco product manufacturing (a combination of subsectors 311 and 312) remained unchanged. Elements in printing and related support activities (subsector 323) and chemical manufacturing (subsector 325) made significant contributions to the nondurable goods manufacturing job reduction in January.

TRADE, TRANSPORTATION, AND UTILITIES

The passage of the holiday shopping season manifested itself in January with the 5,600-job reduction in trade, transportation, and utilities (supersector 40). Retail trade garnered the lion's share of the manpower reduction with its 5,000-job cut back. Wholesalers decreased its work force down by 500 positions, while transportation and utilities dropped 100 positions.

Merchant wholesalers, durable goods (subsector 423) and wholesale electronic markets and agents and brokers (subsector 425) each employed 200 fewer persons in January. The sampled indicated that merchant wholesalers, nondurable goods (subsector 424) also reduced staffing levels during the month.

Within retail trade, clothing and clothing accessory stores, and general merchandise stores (a combination of subsectors 448 and 452) shouldered half of the retail trade employment reduction in January. Department stores (industry group 4521) covered 1,000 of those lost jobs.



On the plus side, food and beverage stores (subsector 445) added 100 jobs to its cadre, while the remaining published elements of retail trade held employment levels at the previous month's total.

During January, a 100-job addition in utilities (sector 22) lessened the 200-job reduction in transportation and warehousing. Elements in both transportation and warehousing contributed to the decline.

INFORMATION

Although publishing industries (except internet) (subsector 511) reduced staffing by 100, information (supersector 50) held its January employment totals at the December level.

FINANCIAL ACTIVITIES

The unadjusted employment trend line for financial activities (supersector 55) took a 100-job dip in January.

A 300-job reduction in real estate and rental and leasing (sector 53) overshadowed the 200-job gain in finance and insurance (sector 52).

The 200-job gain in sector 52 could be traced to insurance and related activities (subsector 524), as January employment totals in securities, commodity contracts, and other financial investments and related activities (subsector 523) remained at the December level.

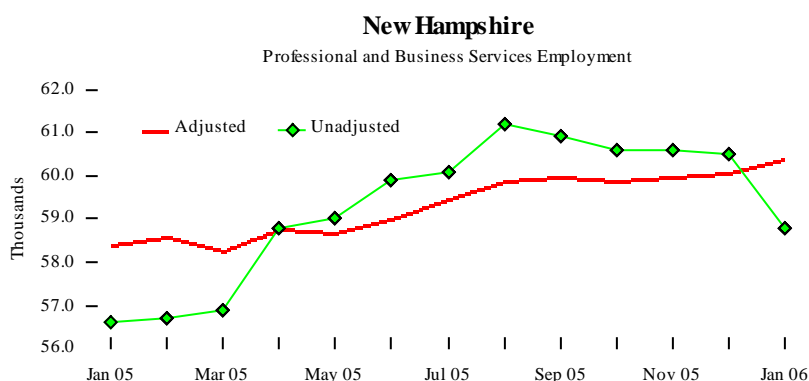
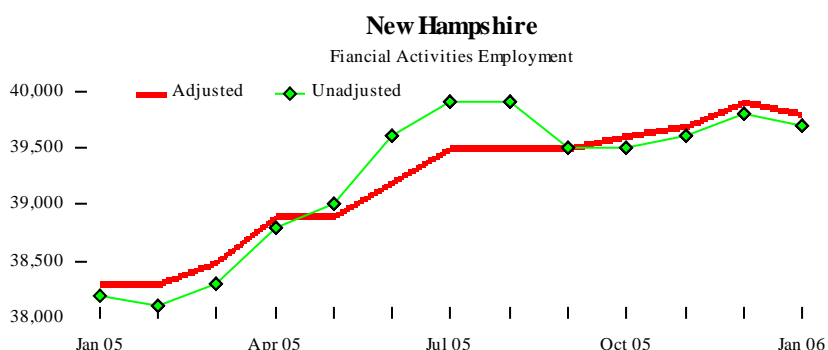
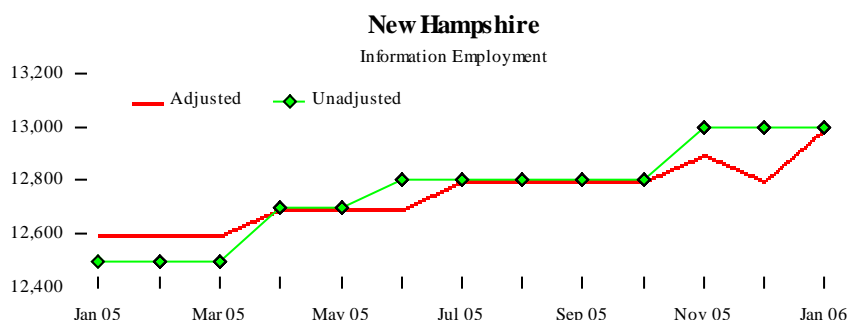
PROFESSIONAL AND BUSINESS SERVICES

Professional and business services (supersector 65) registered a 1,700-job loss in January 's preliminary estimates.

Inside the supersector, the 100-job gain in professional, scientific, and technical services (sector 54) directly offset the 100-job drop in employment by management of companies and enterprises (sector 55).

Administrative and support and waste management and remediation services (sector 56) absorbed the 1,700-job loss for the supersector. Of those 1,700 jobs, employment services (industry group 5613) accounted for 900.

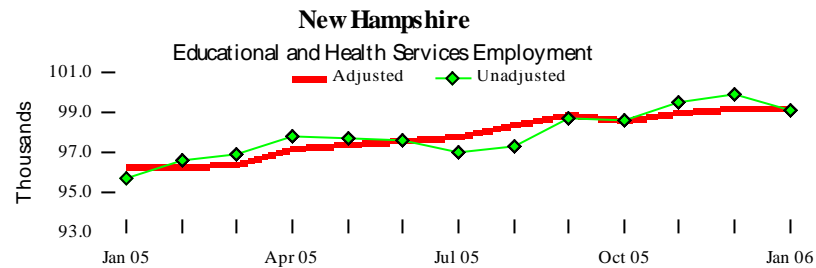
According to the sample, landscaping services (industry 561730) made a significant contribution to the downturn of the sector 56 employment total.



EDUCATIONAL AND HEALTH SERVICES

The midterm break in the academic year supplied the primary force behind the January 800-job decline in the educational and health services (supersector 65). Preliminary estimates showed that educational services (sector 61) recorded a 700-job reduction. Colleges, universities, and professional schools (industry group 6113) in the private sector chipped in 300 jobs to the sector 61 contraction.

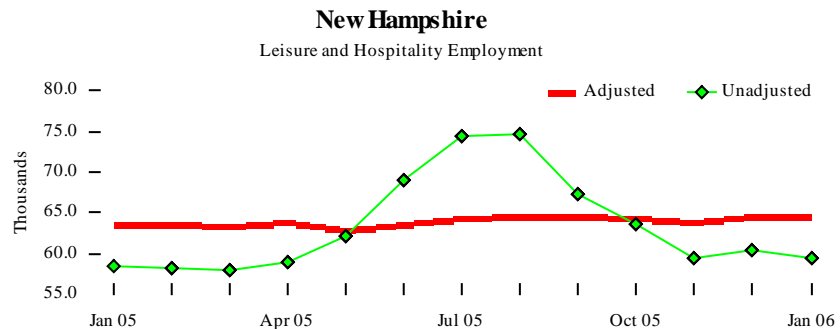
Overall, health care and social assistance (sector 62) cut its work force by 100 jobs during January, but published industries within the group did not reflect the decrease. Ambulatory health care services (subsector 621) expanded its personnel strength by 100 positions, while hospitals (subsector 622) employment levels continued at the prior month's total. Nursing care facilities (industry group 6231), the remaining published item in this series, increased crew size by 200.



LEISURE AND HOSPITALITY

Vestiges of the holiday season passing presented themselves in the 1,000-job decrease for leisure and hospitality (supersector 70) in January's preliminary estimates.

Accommodation and food services (sector 72) propelled the downward movement with its 1,400-job cutback. Accommodation (subsector 721) sustained its employment level at that established in December, and food services and drinking places (subsector 722) reduced its cadre by 1,400.

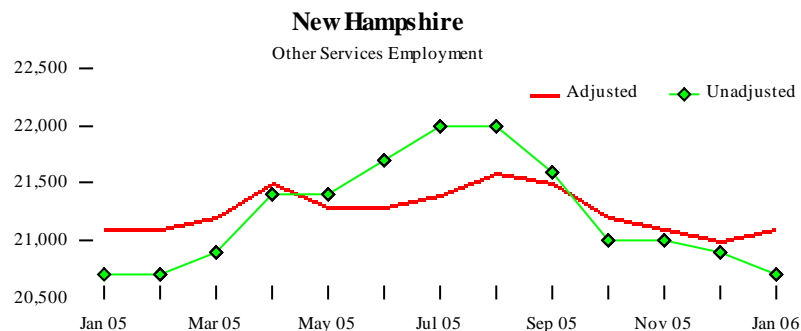


Full-service restaurants (industry group 7221) trimmed staffing by 600, and the limited-service eating places (industry group 7222) downsized by 700 jobs in January.

January preliminary estimates further showed that arts, entertainment, and recreation (sector 71) added 400 jobs to the state's economy. Inside sector 71 with winter sporting activities moving into the peak season, amusement, gambling, and recreation industries (subsector 713) increased its force by 600 jobs.

OTHER SERVICES

All factions of this industrial grouping contributed to January's 200-job reduction in other services (supersector 80).

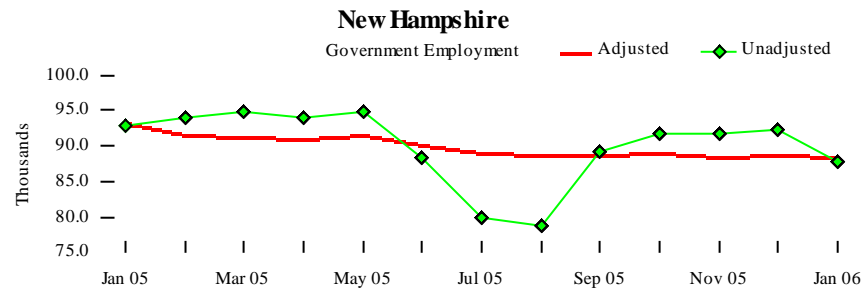


GOVERNMENT

Government (supersector 90) employment fell by 4,300 jobs in January's preliminary estimates largely driven by the university system taking a holiday break.

Federal government employment by contracted by 300 jobs, as the postal service wrapped up holiday season operation.

State government employment declined by 3,500 jobs in the January estimates. Work-study students in the university system took a hiatus.



Collectively, local government s across the state dropped 500 jobs from the rosters, with most of those jobs coming from the non-educational functions.